

Sahuarita Water Comp:



Via Certified Mail

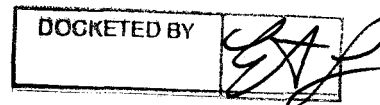
December 24, 2014

Docket Control
Arizona Corporation Commission
1200 W Washington Street
Phoenix, AZ 85007

Arizona Corporation Commission

DOCKETED

DEC 29 2014



ORIGINAL

Re: Sahuarita Water Company, LLC
Docket No. W-03718A-09-0359
Decision No. 74868

NOTICE OF COMPLIANCE WITH DECISION NO. 74868

In Decision No. 74868 (December 18, 2014), the Arizona Corporation Commission approved Sahuarita Water Company's application to implement new CAGR D adjustor fees for all customer billings after December 1, 2014. Decision No. 74868 requires that Sahuarita Water Company file with the Commission a CAGR D adjustor fee tariff consistent with the rates approved.

We have enclosed one (1) original and thirteen (13) copies of Section IV of our previously approved tariff updated to reflect the new CAGR D adjustor fee rates (Sheet No. 4.0b and 4.1d).

Marian Homiak

Marian Homiak
Controller

Enclosures

cc: Compliance Section

Corporate Office: 4549 E Ft Lowell Rd. Tucson, AZ 85712 Ph. (520) 299-8766 Fax: (520) 529-3137

Field Office: 725 W Via Rancho Sahuarita Rd., P.O. Box 1520, Sahuarita, AZ 85629-0530
Ph. (520) 399-1105 Fax (520) 399-1095

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			SHEET NO.	4.0b
Sahuarita Water Company, LLC			Replaces Sheet	4.0a
W-03718A-09-0359				

IV. CAGRD FEE ADJUSTOR:

The Arizona Corporation Commission authorized the Company to implement a Central Arizona Groundwater Replenishment District ("CAGRD") fee adjustor to recover the annual charges imposed upon the Company by the CAGRD as a result of the Company's membership in the CAGRD. Accordingly, in addition to all other applicable rates and charges in this tariff, each customer shall pay a monthly CAGRD fee adjustor per thousand gallons of water delivered, as set forth below, effective for all water service rendered in all water service areas for all classes of service on and after March 1, 2011 in accordance with the following conditions as set forth in Decision No. 72177 and subsequently modified in Decision No. 73283, 73616 and 74868:

1. The adjustor fee shall apply to all water sold after October 1, 2010, or shall become effective on the date new rates from this case become effective, whichever is later.
2. The Company shall, on a monthly basis, place all CAGRD monies collected from customers in a separate, interest-bearing account ("CAGRD Account").
3. The only time the Company can withdraw money from the CAGRD Account is to pay the annual CAGRD fee to the CAGRD, which is due on October 15th of each year.
4. The Company must provide to Staff a semi-annual report of the CAGRD account and CAGRD use fees collected from customers and paid to the CAGRD, with the reports due during the last week of October and the last week of April of each year.
5. The Company must provide to Staff, every June 30th, the new firm rates set by the CAGRD for the following years.
6. The CAGRD adjustor fee shall be calculated as follows: The total CAGRD fees paid by the Company for the most current year in the Tucson Active Management Area (AMA) shall be divided by the gallons sold by the Company in that year to determine a CAGRD adjustor fee per 1,000 gallons.

ISSUED			EFFECTIVE	
	Month Day Year	ISSUED BY:		Month Day Year
	Feb. 11, 2011	Robert M. Sharpe, President		March 1, 2011
		4549 East Fort Lowell Road	UPDATE EFFECTIVE	December 1, 2014
		Tucson, AZ 85712		
		Decision No. 72177/74868		

			SHEET NO.	4.1.d
Sahuarita Water Company, LLC			Replaces Sheet	4.1.c
W-03718A-09-0359				

CAGR D FEE ADJUSTOR (continued):

7. By October 25th of each year, the Company shall submit for Commission consideration its proposed CAGR D adjustor fee for the Tucson AMA along with the calculations and documentation from the relevant state agencies to support the data used in the calculations. Failure to provide such documentation to Staff shall result in the immediate cessation of the CAGR D adjustor fee. Commission-approved fees shall be applied to all water sales billed after December 1st.
8. If the CAGR D changes its current method of assessing fees to some other method, such as, but not limited to, future projections, water usage, or total water allocated to the Company, the Company's collection from customers of CAGR D fees shall cease.
9. As a compliance item, the Company shall submit yearly, a new tariff reflecting the reset adjustor amount.

The CAGR D fee is calculated by dividing the total CAGR D fees for 2013 by the gallons sold for that year.

A. Total 2013 CAGR D Fees, plus 2012 under-collection	\$552,793
B. Total Gallons Sold (1,000) in 2013	480,484
C. Charge per 1,000 gallons (A divided by B)	\$ 1.15

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